

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In re:</b>  <b>W.R. GRACE &amp; CO., <i>et al.</i>,</b>  <b>Debtors.</b>	<b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b> <b>§</b>	<b>Chapter 11</b>  <b>Jointly Administered</b> <b>Case No. 01-01139 (KJC)</b>
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**FEE AUDITOR'S FINAL REPORT REGARDING FORTY-EIGHTH  
INTERIM QUARTERLY FEE APPLICATION OF  
BILZIN SUMBERG BAENA PRICE & AXELROD LLP**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Forty-Eighth Interim Quarterly Fee Application of Bilzin Sumberg Baena Price & Axelrod LLP (the "Application").

**BACKGROUND**

1. Bilzin Sumberg Baena Price & Axelrod LLP ("Bilzin Sumberg") was retained as counsel to the Official Committee of Asbestos Property Damage Claimants. In the Application, Bilzin Sumberg seeks approval of fees totaling \$12,013.45 and expenses totaling \$512.41 for its services from January 1, 2013 through March 31, 2013 (the "Application Period").

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2013, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C.

§ 330, Issued January 30, 1996 (the “U.S. Trustee Guidelines”), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We emailed an inquiry to Bilzin Sumberg based upon our review, and we received a response from Bilzin Sumberg, portions of which response are quoted herein.

### **DISCUSSION**

3. We noted that while Bilzin Sumberg requested fees totaling \$12,013.45 for the Application Period, we calculated the total fees at \$11,046.24, for a difference of \$967.21. We further noted that although the January 2013 monthly fee application reflected a credit of \$967.21, and reference to the credit was made in Footnote 1 of the Quarterly Fee Application, the \$967.21 credit was not actually subtracted from Bilzin Sumberg’s fee request for the quarter. We asked Bilzin Sumberg whether it agreed with our calculation of its fees at \$11,046.24, and Bilzin Sumberg responded:

We agree with the calculation of our fees at \$11,046.24 being due. The reason the higher amount is included is because we still needed to have that amount “allowed” by the court, even though the credit was given.

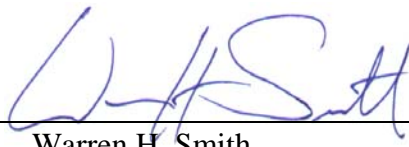
We note, from this response, that Bilzin Sumberg agrees with our calculation, and thus recommend that its fee request be reduced to \$11,046.24, for a reduction of \$967.21 in fees.

### **CONCLUSION**

4. Thus, we recommend approval of \$11,046.24 in fees (\$12,013.45 minus \$967.21) and \$512.41 in expenses for Bilzin Sumberg’s services for the Application Period.

Respectfully submitted,

**WARREN H. SMITH & ASSOCIATES, P.C.**

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**FEE AUDITOR**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 6<sup>th</sup> day of September, 2013.

  
Warren H. Smith

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